

CENTRAL INTELLIGENCE AGENCY
Office of Current Intelligence
6 May 1963

CURRENT INTELLIGENCE MEMORANDUM

SUBJECT: Rumanian-Soviet Relations

1. We have noted a series of developments which leads us to believe that there has been a worsening in Rumania's relations with Moscow. Bucharest's dissatisfaction with CEMA integration plans has led the Rumanians to adopt positions from which they cannot easily back down. There are also signs of Chinese interest in exploiting this dispute.
2. Among the issues involved in Rumania's disagreement with CEMA are the following:
 - a. Drastic reduction or possibly elimination of Soviet aid toward a mammoth metallurgical combine at Galati, which is the key project of Rumania's current economic plan.
 - b. A formal request in February by the CEMA Executive Committee that Rumania in effect abandon plans for most major new industries, and concentrate instead on petroleum products, fertilizers, and agriculture.
 - c. Rumania's refusal to accede to the CEMA request, coupled with a reported threat to withdraw from CEMA unless the request were withdrawn.
3. Other signs, while not conclusive, which contribute to a picture of discord between Bucharest and Moscow, are:
 - a. Bucharest's criticism of Soviet party handling of the Rumanian party's part in World War II.

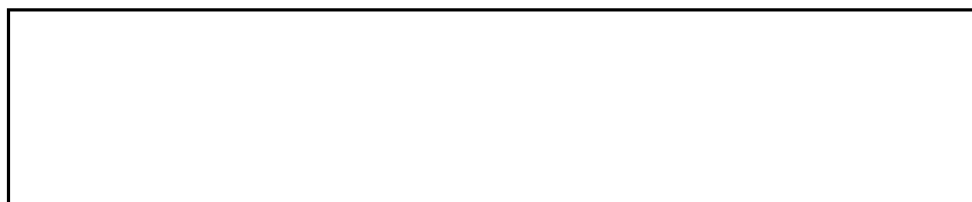
b. Rumanian reticence last year to express an opinion about the Sino-Soviet dispute, and more lately the complete absence of commentary on important developments in the dispute which have received wide publicity in the bloc.

c. Rumania's failure to restore party relations with Yugoslavia--the only Soviet satellite not to have done so.

d. The return on 28 March of the Rumanian ambassador to Tirana.

e. The signing in March of a Rumanian trade agreement with China calling for a 10 percent increase in trade--the first planned increase since 1960 between China and a Soviet bloc country.

f. The signing of top level officials of the annual Rumanian-Albanian trade protocol. This contrasts with the handling of other such satellite agreements with Tirana by lesser ranking officials and may indicate both countries attach unusual significance to the agreement.



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h. Communist China's People's Daily's reprinting on 28 April of the early March communiqué of the Rumanian central committee plenum which revealed Bucharest's differences with CEMA.

i. [redacted] Rumanian diplomats have deliberately been dropping hints about the Rumanian-CEMA disagreement, possibly with the hope that it will receive publicity in the West.

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